This invention relates to compounds of formula (I):

$$\begin{array}{c|c}
R^1 & R'' \\
\downarrow & A \\
R''' & R^2 \\
R^2 & (I)
\end{array}$$

wherein:

A is C(O) or CH(OH);

 R^1 is

$$R^4$$
 R^3
 R^3

 $R^2 \text{ is H, C$_{1-6}$alkyl, C$_{3-6}$cycloalkyl-C$_{0-6}$alkyl, Ar-C$_{0-6}$alkyl, Het-C$_{0-6}$alkyl, R$^5C(O)-, R$^5C(S)-, R5SO_2-, R$^5OC(O)-, R$^5R'NC(S)-, adamantyl-C(O)-, or C$_{0-6}$alkyl, R$^5C(O)-, R$^5R'NC(S)-, R$^5C(O)-, R$^5C(O)-,$

$$R^7 \xrightarrow{R^6} Z \xrightarrow{Z}$$

R" is H, C₁₋₆alkyl, Ar-C₀₋₆alkyl, or Het-C₀₋₆alkyl;

 $R^{\prime\prime\prime} \text{ is H, C$_{1-6}$alkyl, C$_{3-6}$cycloalkyl-C$_{0-6}$alkyl, Ar-C$_{0-6}$alkyl, or Het-C$_{0-6}$alkyl; }$

each R^3 independently is H, C₂₋₆alkenyl, C₂₋₆alkynyl, Het, Ar or C₁₋₆alkyl optionally substituted by OR', SR', NR'₂, R'NC(O)OR⁵, CO₂R', CO₂NR'₂, N(C=NH)NH₂, Het or Ar;

 $R^4 \text{ is H, C}_{1-6} \text{alkyl, C}_{3-6} \text{cycloalkyl-C}_{0-6} \text{alkyl, Ar-C}_{0-6} \text{alkyl, Het-C}_{0-6} \text{alkyl, R}^5 \text{C(O)-, R}^5 \text{C(S)-, R}^5 \text{SO}_{2}\text{-, R}^5 \text{OC(O)-, R}^5 \text{R'NC(O)-, R}^5 \text{R'NC(S)-, R'HNCH(R')C(O)-, or R}^5 \text{OC(O)NR'CH(R')C(Q)-;}$

each R^5 independently is C_{3-6} cycloalkyl- C_{0-6} alkyl, Ar- C_{0-6} alkyl, Het- C_{0-6} alkyl, Ar- C_{0-6} alkyl, Ar- C_{0-6} alkoxy, Het- C_{0-6} alkoxy, or C_{1-6} alkyl optionally substituted by OR', SR', NR'₂, R'NC(O)OR⁵, CO_2 R', CO_2 NR'₂, N(C=NH)NH₂, Het or Ar;

 R^6 is H, C_{1-6} alkyl, Ar- C_{0-6} alkyl, or Het- C_{0-6} alkyl and R^7 is H, C_{1-6} alkyl, C_{3-6} cycloalkyl- C_{0-6} alkyl, Ar- C_{0-6} alkyl, Het- C_{0-6} alkyl, $R^5C(O)$ -, R^5SO_2 -, R^5SO_2 -, $R^5OC(O)$ -, $R^5R'NC(O)$ -, $R^5R'NC(O)$ -, or $R^5OC(O)NR'CH(R')C(O)$ -; or R^6 and R^7 are connected to form a pyrrolidine, a piperidine, or a morpholine ring;

each R' independently is H, C_{1-6} alkyl, Ar- C_{0-6} alkyl, or Het- C_{0-6} alkyl; R* is H, C_{1-6} alkyl, C_{3-6} cycloalkyl- C_{0-6} alkyl, Ar- C_{0-6} alkyl, or Het- C_{0-6} alkyl; Y is a single bond or O; each Z independently is CO or CH₂; and n is 0, 1, or 2;

or a pharmaceutically acceptable salt thereof, which are inhibitors of cysteine proteases, particularly cathepsin K, and are useful in the treatment of diseases in which inhibition of bone loss is a factor.